

REPORT
ON
SURVEY OF LABOUR CONDITIONS
IN
METAL ROLLING FACTORIES
IN INDIA

1960—61



सत्यमेव जयते

LABOUR BUREAU
MINISTRY OF LABOUR AND EMPLOYMENT
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P R E F A C E

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever-since India entered the industrial field over a century ago. To day, this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India, in the context of present-day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee, appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long-term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the overall stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan, and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This report presents data regarding the Metal Rolling factories covered under the Scheme during 1960-61.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour turnover and absenteeism in the factory industries and provides first hand information on certain important aspects of labour-management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments. In many cases, the field staff had almost to

build up the required statistics from various sources. This naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their whole-hearted co-operation. The co-operation and valuable assistance received from associations of employers and workers, Labour Commissioners as well as Chief Inspectors of Factories and other officials of State Labour Departments is also gratefully acknowledged.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the schedule and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U. S. A., Social Surveys Division, Ministry of Labour and Social Service, U. K., Economics and Research Branch, Department of Labour, Canada, and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey and bringing out the reports on individual industries was ably borne by Shri B. N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey the requisite technical advice was provided to him by other officers at the Headquarters. This report was drafted by Dr. J. N. Mongia, who received valuable assistance from Shri K. L. Lamba, Investigator Grade I, Sarvashri Ramesh Chander Madan, Dila Ram, Rajender Pant and B. P. Singla, Computers assisted in computation of data. The field investigations were carried out by Sarvashri Mahesh Chandra, R. C. Mallhotra, N. D. Puri, R. L. Bembey, N. K. Basu, P. C. Agarwal, H. G. Tehri, S. Roy, K. C. Sharma, Kirpal Singh, R. K. Kapoor, S. L. Khanna, B. Raghavan and S. S. Kaul, under the supervision of Sarvashri H. G. Gupta, K. Lakshminarayanan, G. B. Singh, Harbans Singh, R. N. Mukherjee and H. K. Gogna. To these all my thanks are due.

The views expressed in this report are not those of the Ministry of Labour and Employment, Government of India.

K. C. SEAL

Director

LABOUR BUREAU, SIMLA

Dated the 5th May, 1965.

CHAPTER I

INTRODUCTION

The Metal Rolling Industry is an important basic engineering industry engaged in the manufacture of ferrous and non-ferrous products of a large variety. Its production range includes bars, rods, wire-rods, hoops, window bars, railway equipment, electric furnace special steel, etc.

1.1. *Growth and Location of the Industry*—

In India, the Industry is comparatively of recent origin. It came into existence in 1929 when a few factories, capable of rolling scrap into small and useful sections and bars required for construction and other purposes, were set up. The chief raw material used was the scrap accumulated in the railway workshops. The large demand generated during World War II led to a rapid growth of the Industry. From a few factories in 1929, the number rose to 150 by 1941. Though hampered by the temporary shortage of raw material, the Industry kept its pace of growth. With the dawn of Independence and growing emphasis on the importance and growth of basic industries like iron and steel, a great fillip has been provided to the Industry. An evidence of the remarkable progress made by the Industry is clear from the available statistics—by 1951, the number of factories* had gone up to 230 employing nearly 27,500 workers. The planned era further accelerated the growth of the Industry and by 1961 there were as many as 319 factories* with an average daily employment of about 33,000 workers. In order to sustain the growth of the Industry, the Third Five Year Plan provides for sale to the Industry of one million tons of billets to be produced at the integrated steel plants. Expansion of production of scrap-base electric furnace billets has also been envisaged up to 200,000 tons by 1965-66.

Though the present practice of erecting integrated steel plants capable of carrying on production right from the ore-stage to the final stage of finished goods puts an indirect curb on the expansion of the Industry, to some extent, it has its own role to play in the economy of the country. Apart from being salvagers of locally available scrap, the rolling factories have an even more important place as re-rollers of billets into a large variety of sections which cannot be produced economically in high production mills on account of the slender demand for individual sections. Besides, wide dispersion of the Industry throughout the country is of great advantage in regionalisation of the industries and meeting local demands. Small factories making agricultural implements require different sections in each different State according to local peculiarities. Cottage industries and the village blacksmiths making tanga channels, bullock cart tyres and axles and various steel articles of domestic use also require special sections. These demands are mostly and suitably met by the local rolling factories.

Statement (1.1) shows the distribution of metal rolling factories in various States together with their average daily employment during 1961.

*Covered under the Factories Act, 1948.

STATEMENT 1·1

*State-wise Distribution of Metal Rolling Factories and Number of Workers
Employed Therein
(1961)*

Serial No.	State					Number of Factories	Average Daily Employment
1	2					3	4
1	Assam	..	..	..	..	3	99
2	Bihar	..	..	..	..	4	4,946
3	Delhi	..	..	..	..	10	754
4	Gujarat	..	..	..	..	25	1,341
5	Madras	..	..	..	..	10	1,277
6	Madhya Pradesh	..	..	..	..	10	872
7	Maharashtra	..	..	..	..	49	4,443
8	Orissa	..	..	..	..	2	243
9	Punjab	..	..	..	..	103	3,788
10	Rajasthan	..	..	..	..	18	998
11	Uttar Pradesh	..	..	..	..	41	4,220
12	West Bengal	..	..	..	..	72	10,212
13	Others	..	..	..	..	2	62
Total						349	33,255

(Source—Factories Act Returns for the year, 1961.)

It will be seen from the Statement (1·1) that though the Industry is distributed throughout the country, it is mainly concentrated in the States of Punjab, West Bengal, Maharashtra and U. P. which together account for about 76 per cent. of the total number of factories and nearly 68 per cent. of the average daily employment in the Industry.

1·2. Genesis of the Survey —

The first comprehensive Survey of conditions of labour in various industries in India, on a country-wide basis, was conducted by the Royal Commission on Labour during 1929-31. Its report and findings formed the basis of various ameliorative measures. After a lapse of over a decade, *i.e.*, in 1944, the Government of India appointed another Committee *viz.*, the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries* during 1944-45 and, besides a main report on labour conditions in general, published individual reports in respect of various industries. These reports proved to be a useful source of information for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and wages in various industries. Above all, the attainment of Independence by the country gave a new status to the working classes. In view of these developments, the Ministry of Labour, Government of India as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries

*Engineering was one of the industries covered which included metal rolling factories also.

should be conducted so that it may be possible to assess the effects of the various measures adopted in the past and obtain a precise picture of the existing conditions and problems of labour for purpose of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan, and the Labour Bureau was entrusted with the execution of the Scheme.

1.3. *Scope and Design*—

A note attached to the Report (Appendix) gives details relating to the sample design and method of estimation adopted. In the absence of a complete list of all metal rolling factories, the Survey was confined to establishments registered under the Factories Act, 1948. Since metal rolling factories were found to be scattered throughout the country and there were no specific pockets of concentration, it was considered desirable to have only one stratum viz., All-India.

Earlier investigations had indicated the existence of wide variations in conditions of work, standards of welfare amenities, etc. in the units of different size groups in various industries. It was, therefore, considered desirable to collect data separately for establishments of different sizes. In the light of the resources available and from the point of view of practicability, it was decided that for the purposes of the Survey, metal rolling factories may be divided into two size groups viz., large and small. For this purpose, the cut-off point chosen was 70 which was approximately equal to the average size of employment. The sampling rate adopted was 27.6 per cent. for large-size factories and 16.7 per cent. for the small size factories in the country. Further details relating to sample design and method of estimation adopted appear in the Appendix.

Statement (1.2) shows the number of metal rolling factories together with the number of workers employed therein (a) in the frame, (b) in the sample and (c) in the sample actually covered.

STATEMENT 1.2

Number of Factories and Workers in the Frame, Sample, etc.

Size Group	In the Frame 1958*		In the sample selected		In the sample actually Covered	
	Number of Factories	Number of Workers	Number of Factories	Number of Workers	Number of Factories	Number of Workers
1	2	3	4	5	6	7
1. Large Factories ..	58	20,970	16	2,825	16 (27.6)	2,825 (13.5)
2. Small Factories ..	196	5,725	33	878	29 (14.8)	807 (14.1)
3. All Factories ..	254	26,695	49	3,703	45 (17.7)	3,632 (13.6)

NOTE—Figures within brackets in cols. 6 and 7 are percentages to total number of factories and workers given in Cols. 2 and 3 respectively.

*The sample was drawn from the list of factories for 1958, registered under the Factories Act. For a few States, for which 1958 lists were not available at the time of drawing the sample, 1957 lists were used for the purpose.

From the figures given in the Statement (1·2), it would be seen that the Survey ultimately covered nearly 18 per cent. of the metal rolling factories and about 14 per cent. of the workers employed therein. Since only those factories as featured in the frame were included in the sample and it was not possible to take into account new factories which came into being till the start and during the period of the Survey, the information given in the Report should be treated to relate to conditions in the factories which were in existence during the period to which the frame relates and which continued to exist at the time of the Survey.

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule* and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959. On the basis of the experience of the enquiry, the schedule and instructions were suitably revised. The main field enquiry was launched in late December, 1959 and ended in June, 1961. Since the enquiry, in essence was during 1960 and 1961, the data except where specifically mentioned, should be treated to relate to this period.

*The schedule used for the Survey has been published in the Reports relating to Silk and Jute Industries.

CHAPTER II

EMPLOYMENT

During the course of the present Survey, in order to ensure comparability, the data in respect of employment were collected from the different sampled establishments for a fixed date, i.e., 31st December, 1959. On the basis of these data, it has been estimated that the total employment of the factories registered under the Factories Act, was about 40,300 on the above date. This estimate, however, differs from the statistics furnished under the Factories Act (i.e., 29,749) for the year 1959, the main reason for the difference being that the former represents the estimate based on the actual number of persons on roll on a particular date whereas the latter is the average daily employment for the whole year. Moreover, the former figure includes about 400 workers not covered under the Factories Act whereas the latter figure does not take into account such employees. Besides, there seems to be no uniformity in reporting employment in the annual returns submitted under the Factories Act by the different factories. Some of them tended to exclude workers engaged through contractors and other categories of workers which were not employed directly on the production jobs such as professional and technical personnel, clerical workers and watch and ward staff. Since the number of workers engaged through contractors was a fairly large one, i.e., about 10,000, the practice of non-inclusion of such workers in their annual returns by some of the units might be responsible for the difference.

2.1. *Composition of the Working Force—*

2.1.1. *Distribution by Broad Occupational Groups—*

For the purposes of the present Survey, the internationally* accepted classification of workers was followed, according to which the workers have been classified into the following categories—

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including Supervisory)
- (d) Production and Related Workers (including Supervisory).
- (e) Watch and Ward and Other Services.

Based on the above classification, the estimated number of workers in the different occupational groups is given in Statement 2.1.

*I.L.O.—‘International Standard Classification of Occupations’.

STATEMENT 2.1

Estimated Percentage Distribution of Workers by Broad Occupational Groups*

(December, 1959)

Size Group	Total number of workers	Professional and Technical Personnel	Administrative, Executive and Managerial Personnel	Clerical and Related Workers (including Supervisory)	Production and Related Workers (including Supervisory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. Large Factories ..	32,676	1.5	0.5	3.1	90.7	4.2
2. Small Factories ..	7,658	0.3	1.8	3.4	90.5	4.0
3. All Factories ..	40,334	1.3	0.7	3.2	90.6	4.2

*Data relate to workers 'Covered' and 'Not Covered' under the Factories Act.

It is evident from the Statement (2-1) that the bulk of the working force (about 91%) was engaged on production and related work. In order of numerical importance, the groups of workers which followed the 'Production and Related Workers', though remotely, were those of 'Watch and Ward and Other Services' and 'Clerical and Related Workers' which together accounted for about 7 per cent. of total employees.

As between large and small factories, there was not much variation in the distribution of workers except in the cases of Professional, Technical and Related Personnel and Administrative, Executive and Managerial Personnel.

2.1.2. *Distribution of Workers by 'Covered' and 'Not Covered' under the Factories Act —*

According to the Factories Act, 1948, a 'Worker' is "a person employed directly or through any agency, whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises used for a manufacturing process, or in any other kind of work, in identical to, or connected with, the manufacturing process, or the subject of the manufacturing process". However, this definition was found to have been interpreted differently by individual units. As such, while some units had included some categories of employees among those covered under the Act, others excluded the same. But taking the different occupational groups together, those not covered under the Act accounted for an insignificant proportion of all workers as is shown in Statement (2.2). It is also significant that the proportion of workers not covered under the Factories Act was somewhat higher in small factories than in the

STATEMENT 2.2

Estimated Percentage Distribution of Workers into 'Covered' and 'Not Covered' under the Factories Act, 1948

(December, 1959)

Size Group	Professional, Technical and Related Personnel		Administrative, Executive and Managerial Personnel		Clerical and Related Workers (including Supervisory)		Production and Related Workers (including Supervisory)		Watch and Ward and Other Services		Total		
	Cover- ed	Not cover- ed	Cover- ed	Not cover- ed	Cover- ed	Not cover- ed	Cover- ed	Not cover- ed	Cover- ed	Not cover- ed	Cover- ed	Not cover- ed	
1	2	3	4	5	6	7	8	9	10	11	12	13	
1. Large Factories	..	78.8	21.2	45.0	55.0	97.9	2.1	100.0	—	98.9	1.1	99.3	0.7
2. Small Factories	..	100.0	—	66.9	33.1	87.2	12.8	100.0	—	73.9	26.1	97.9	2.1
3. All Factories	..	79.9	20.1	55.6	44.4	95.7	4.3	100.0	—	94.4	5.6	99.1	0.9

2.2. Employment of Women—

It has been estimated that about 15 per cent. of the factories in the Metal Rolling Industry were employing women. However, the extent of employment of women was not significant, as hardly about 300 workers of the total working force in the Industry, were women. Large factories employed a little more than two-thirds of total number of women workers. Statement 2.3 gives further details:

STATEMENT 2.3

Estimated Proportion of Women Workers to the total Working Force in the Metal Rolling Industry*

(December, 1959)

Size Group		Number of Factories	Percentage of Factories Employing Women	Total Number of Workers Employed	Percentage of Women Workers to the Total Number of Workers in the Industry	Percentage of Women Workers to the Total Number of Workers in the Industry
1		2	3	4	5	6
1. Large Factories	..	58	18.8	32,676	0.7	67.8
2. Small Factories	..	174	14.3	7,658	1.4	32.2
3. All Factories	..	232†	15.4	40,334	0.8	100.0

*Both 'Covered' and 'Not Covered' under the Factories Act.

†The number of factories given here is different from that given in Statement 1.2 due to the fact that only those factories were covered which continued to exist till the time of Survey.

Most of the women workers, i.e., about 98 per cent., were engaged on production and related processes. The group 'Watch and Ward and Other Services' accounted for the rest. All women workers in the large factories surveyed were 'Production Workers' only, while in small factories, all of them belonged to the group 'Watch and Ward and Other Services'. No woman worker was found employed on jobs of professional, technical, administrative and clerical nature.

Women engaged on production processes were employed as departmental sweepers, for cleaning of manufactured articles, sorting of metals from sand, etc. Sweeping and cleaning processes together accounted for the employment of about 81 per cent. of the total number of women production workers. The rest of them (about 19%) were mainly engaged on sorting of metals from the wastes. As regards the reasons for their employment, the employers maintained that women were particularly suitable for cleaning of articles, a job traditionally handled by them and shunned by male workers.

2.3. Child Labour—

Not a single child worker was reported to have been employed in any of the factories surveyed on the specified date viz., 31-12-59.

2.4. Time and Piece-rated Workers —

Data were collected in respect of the distribution of 'Production Workers' by methods of payment i.e., time-rate and piece-rate. Details appear in Statement 2.4.

STATEMENT 2.4

Estimated Percentage Distribution of 'Production Workers' by Methods of Payment

(December, 1959)

Size Group	Total Number of Production Workers*	Percentage of Workers who were		Percentage Distribution of Workers by Sex and Method of Payment			
		Time-rated	Piece-rated	Men		Women	
				Time-rated	Piece-rated	Time-rated	Piece-rated
1	2	3	4	5	6	7	8
1. Large Factories ..	29,625	95.0	5.0	94.9	5.1	100.0	—
2. Small Factories ..	6,928	85.6	14.4	85.4	14.6	100.0	—
3. All Factories ..	36,553	93.2	6.8	93.1	6.9	100.0	—

*Covered under the Factories Act, including contract workers.

Information given in the Statement 2.4 relates to both categories of employees—those employed directly and through contractors—who were covered under the Factories Act. It would be noticed that the predominant

system of payment in the Metal Rolling Industry was 'time-rate', which accounted for about 93 per cent. of the workers. The rest (i.e., 7%) were employed on piece-rate basis. The piece-rate system appears to be more popular in small factories than in the large ones. So far as women workers are concerned, they were all time-rated.

2.5. *Contract Labour*—

The system of engaging workers through contractors appears to be a common practice in this Industry inasmuch as about 57 per cent. of the metal rolling factories in the country were found to have employed contract labour. The proportion of such units was higher among large establishments (about 88%) than among the small ones (about 46%). Nearly 27 per cent. of the total number of production workers were employed through contractors. This proportion did not differ much in the two-size-groups of factories, being about 28 per cent. and 26 per cent. for the large and small factories respectively.

Contract workers were generally engaged on such jobs as cutting of scrap, circular bars, slabs, plates and billets, polishing, weighing and jacking of finished goods and loading and unloading. The employers contended that it was economical for them to employ contract labour for these jobs and that they were spared of the botheration of supervising the work of such labour.

2.6. *System of Recruitment*—

Information relating to the systems of recruitment of all workers employed directly by the units, collected during the Survey, shows that most of the workers (about 97%) had been recruited directly—recruitment at the factory gate itself accounted for 84 per cent. and the rest (about 13%) through labour offices. The proportion of workers recruited through departmental heads was negligible. The practice of recruiting workers through labour offices and head offices existed in large factories only. In small factories, which generally do not have such agencies, the general practice was to recruit workers at the factory gate. A small proportion of the workers had been recruited through head offices. They were clerical, technical and supervisory production workers. A significant factor concerning recruitment in this Industry is that none of the factories surveyed had resorted to recruitment of workers through intermediaries, such as mistries, jobbers and labour contractors. None of the employees were reported to have been recruited through Employment Exchanges either.

2.7. *Employment Status* —

Data pertaining to classification of 'Production Workers' into different categories of employment status were also collected. Employment Standing Orders, which *inter alia* provide for classification of workers according to employment status, were reported to have been framed in only about 24 per cent. of the metal rolling factories. However, in those cases where such classification had not been made, reliance was placed on the version of the managements with regard to the employment status of their workers. Statement 2.5 gives the percentage distribution of production workers employed directly according to their employment status.

STATEMENT 2.5

*Estimated Percentage Distribution of 'Production and Related Workers' @by
Employment Status
(December, 1959)*

Size Group	Total Number of Produc- tion Workers	Percentage of						
		Permanent Workers	Proba- tioners	Temporary Workers	Badlis	Casual Workers	Appren- tices	Others (unpaid family members)
1	2	3	4	5	6	7	8	9
1. Large Factories	21,408	59.1	2.2	29.4	1.7	7.4	0.2	—
2. Small Factories	5,112	64.2	—	32.9	—	2.7	—	0.2
3. All Factories	26,520	60.1	1.8	30.1	1.3	6.5	0.2	*

*Less than 0.05.

@Covered under the Factories Act, excluding workers employed through contractors.

About 60 per cent. of the workers were found enjoying permanent status. Temporary workers formed about 30 per cent., casual labour about 7 per cent. and the rest were accounted for by probationers, *badlis*, apprentices and a few unpaid workers. As regards casual and *badli* labour, no regular scheme for regulating their employment was reported in any of the units surveyed.

2.8. Length of Service—

A study of the distribution of workers according to the length of service was made in respect of 'Production Workers' directly employed alone. The data are presented in Statement 2.6.

STATEMENT 2.6

Estimated Percentage Distribution of 'Production Workers' Employed
Directly according to length of Service
(December, 1959)*

Size Group	Total Number of Production Workers	Percentage Distribution of Workers with Length of Service of			
		Under 1 year	1 year but under 5 years	5 years but under 10 years	10 years and above
1	2	3	4	5	6
1. Large Factories ..	21,408	48.2	32.3	15.9	3.6
2. Small Factories ..	5,112	56.4	33.5	7.5	2.6
3. All Factories ..	26,520	49.8	32.5	14.3	3.4

*Covered under the Factories Act, excluding workers employed through contractors.

It is significant to note that nearly 82 per cent. of the workers in the Industry were having less than 5 years of service. About one-half of the workers had not completed even one year's service. This was reportedly due to many a worker returning to their villages during the harvesting and sowing seasons as also due to recent origin of some of the units surveyed. On the other

hand, there were allegations that some employers recruited workers only on a temporary basis and discharged them from service before they completed one year's service.

As between large and small factories, the position in regard to the enjoyment of longer periods of service, was better in the former than in the latter.

2.9. Absenteeism —

Absenteeism data were collected in respect of production workers employed directly excluding casual, *badli* and unpaid workers. Due to lack of clear distinction in the marking of absences on account of absenteeism in the real sense, and layoff in the attendance registers of several establishments surveyed, it was not possible to isolate lay-off from absenteeism. Further, it was often noticed that even if any worker left the establishment before the end of a pay period, his name was neither removed from the register nor any remark to that effect made. Instead, only the symbol 'a' indicating absence continued to be entered against his name. Since the data were collected for a period of the preceding twelve months, it was not possible to find out all cases of quits, lay-offs and genuine absences. Statement 2.7 gives the details of absenteeism rate for all the 12 months of 1959.

STATEMENT 2.7

Estimated Absenteeism Rate in the Metal Rolling Industry* (During 1959)

Month	Size Group		
	Large Factories	Small Factories	All Factories
1	2	3	4
January	8.2	7.7	8.1
February	8.3	7.7	8.2
March	10.4	10.9	10.5
April	10.9	12.4	11.2
May	13.9	11.5	13.5
June	14.7	11.0	14.0
July	11.4	10.4	11.2
August	9.1	9.2	9.1
September	9.6	9.3	9.6
October	8.6	8.9	8.6
November	11.9	9.2	11.3
December	9.1	8.5	9.0
Overall	10.6	9.7	10.4

*Percentage of man-days lost to the man-days scheduled to work.

The overall absenteeism rate for the Industry as a whole was 10.4 per cent. It varied from 8.1 per cent. in January to 14 per cent. in June. Since no information was generally kept by the managements about the reasons for absences, it has not been possible to collect statistics of absences by causes. However, it is understood on the basis of discussions with the workers that monthly variations were largely due to such factors as harvesting, sowing, religious and social functions, etc. As between large and small factories, there was no marked difference in the overall absenteeism rate, being of the order of 10.6 and 9.7 per cent. respectively. None of the units surveyed had adopted any measure to curb absenteeism.

2.10. Labour Turnover—

Data in respect of labour turnover were also collected for the same categories of workers as in the case of absenteeism. Statement 2.8 gives the monthly rates of accession and separation in respect of production workers for all the 12 months of 1959.

STATEMENT 2.8

Estimated Rates of Accession and Separation (In per cent :ges) (During 1959)

Month		Rate of Accession			Rate of Separation			
		Large Factories	Small Factories	All Factories	Large Factories	Small Factories	All Factories	
1		2	3	4	5	6	7	
January	12.0	10.5	11.6	5.9	9.3	6.6
February	8.5	10.9	9.0	5.0	9.5	5.9
March	7.2	10.7	7.9	10.2	12.9	10.8
April	11.6	17.6	12.8	6.9	15.7	8.7
May	9.2	21.1	11.6	9.0	22.8	11.8
June	13.4	16.1	13.9	10.1	15.6	11.2
July	13.2	20.6	14.6	8.7	16.3	10.3
August	7.1	14.2	8.4	6.6	10.9	7.4
September	6.3	12.4	7.5	7.5	12.0	8.4
October	7.7	11.5	8.4	6.7	13.7	8.0
November	11.8	11.9	11.8	10.8	10.1	10.7
December	11.8	13.6	12.1	9.0	10.1	9.2
Average of 12 months		..	9.9	14.3	10.8	8.1	13.2	9.1

It will be seen from the Statement 2·8 that the overall monthly rates of accession and separation in the Metal Rolling Industry were not inconsiderable, being 10·8 and 9·1 per cent. respectively. There was a considerable variation both in the rates of accession and separation from month to month. The accession rate varied from 7·5 per cent. in September to 14·6 per cent. in July, whereas the separation rate varied from 5·9 per cent. in February to 11·8 per cent. in May.

2·11. *Training and Apprenticeship*—

Except in a few metal rolling factories, there were no arrangements for the training of operatives in the Industry. In about 6 per cent. of the units—all being large factories—some facilities for training of workers in certain occupations existed. There was, however, no regular system of providing such facilities. Training was imparted in occupations such as those of turner and fitter. The period of training varied from 6 months to 2 years in different establishments. No guarantee of employment to the trainees was given. The percentage of workers benefiting from the training facilities was very low.

CHAPTER III

WAGES AND EARNINGS

3.1. *Wage Revisions* —

Information collected during the course of the Survey indicates that there has been no standardisation of wage rates in the Industry either on an all-India or regional basis and the wage structure existing at the time of the Survey was found to have developed on the basis of factors like prevailing wage-rates in the area, collective bargaining, conciliation, adjudication, etc. For the purposes of studying changes in the wage structure, if any, information relating to wage revisions affecting a majority of workers in various units since 1956 was collected. The available data indicate that in only about 16 per cent. of the factories in the Industry, comprising about 31 per cent. of large and about 10 per cent. of small factories, wage revisions had taken place. In a large proportion of establishments reporting such revisions (about 83%), wages had been revised only once during the period from 1956 till the time of the Survey. In the rest (i.e. 17%), all of which happened to be small establishments, two wage revisions were reported during the same period.

A majority of the revisions (54%) were consequent on collective agreements, while some (17%) were based on adjudication awards. One half of the rest, (i.e. about 14%) were effected by the employers themselves voluntarily, and the other half through conciliation proceedings.

3.2. *Pay Periods* -

Data collected show that the predominant pay period was a month as wages of about 56 per cent. of the workers were settled after this period. Statement 3.1 gives details of pay periods :

STATEMENT 3.1

Estimated Percentage Distribution of Workers According to Pay Periods in the Metal Rolling Industry.*

(December, 1959)

Size Group	Percentage of Workers whose pay period was				
	Month	Fortnight	Week	Day	Not fixed
1	2	3	4	5	6
1. Large Factories ..	50.6	23.9	25.5	—	—
2. Small Factories ..	80.9	4.1	12.7	1.7	0.6
3. All Factories ..	56.1	20.3	23.2	0.3	0.1

*Covered under the Factories Act.

The Statement (3.1) unfolds a significant difference between large and small factories in respect of the pay periods. In the latter, a much larger proportion of workers (about 81%) were being paid monthly. For a small

proportion of workers, there was no fixed pay period. Being piece-rated workers, they were paid all their dues only on the completion of their allotted work.

Generally speaking monthly payments were made to the clerical, administrative, technical and supervisory production workers, etc. Other pay periods were usually in respect of daily-rated production workers.

3.3. *Earnings* —

During the course of the Survey, information relating to man-days worked, and the earnings of workers during a pay period preceding 31st December, 1959 was collected from each of the sampled units. The data relate to workers covered under the Factories Act, under the broad categories of 'all workers', 'Production Workers', 'lowest-paid Production Workers', 'Clerical' and 'Watch and Ward and Other Services'. As regards 'Production Workers', since they constituted the bulk of the working force, details were collected for men and women separately. Data relating to earnings of workers by occupations were, however, not collected as the Labour Bureau had already conducted a detailed occupational wage survey in 1958-59. The information primarily relates to direct workers as information in respect of contract workers was not available in most of the units employing such workers.

3.3.1. *Earnings of 'All Workers' and 'Production Workers'—*

Based on the results of the present Survey, the average daily earnings of 'all workers' in the Metal Rolling Industry, during December, 1959, have been estimated at Rs. 3.70. 'Production Workers', on an average earned Rs. 3.57 per day i.e., a little less than 'all workers'. This difference is obviously due to the impact of higher earnings of managerial, technical and administrative personnel, etc., who feature in the former category. Statement 3.2 gives more details in this respect.

STATEMENT. 3.2

Estimated Average Daily Earnings of Workers in the Metal Rolling Industry

(December, 1959)

		(In Rupees)			
Size Group		'All Workers'*	Production Workers		
			Men	Women	All
1		2	3	4	5
1. Large Factories	.. ..	3.72	3.59	2.04	3.57
2. Small Factories	.. ..	3.60	3.59	1.17	3.56
3. All Factories	.. ..	3.70	3.59	1.80	3.57

*All workers covered under the Factories Act.

It is evident from the Statement (3.2) that the average daily earnings of 'all workers' as also of 'Production Workers' in large factories were higher than those in small factories.

The data further reveal a considerable disparity in the earnings of male and female 'Production Workers'. The average daily earnings of women (Rs. 1·80) were almost half of those of male workers (Rs. 3·59). This disparity was more prominent in small factories. Such a major difference in the earnings of male and female workers appears to be due to the low-paid occupations on which women workers were employed as also because men workers included supervisory and skilled personnel.

3·3·2. *Lowest-paid 'Production Workers'—*

The occupations for which workers were paid the lowest wages in the Metal Rolling Industry were generally those of metal picker, moulder-helper, fitter-helper, *M. zdoor*, metal cleaners, polisher, oilman, sorter, hammer-man, bar cutters, etc. The average daily earnings of the lowest-paid 'Production Workers' vis-a-vis all 'Production Workers' as also 'all workers' are given in Statement 3·3.

STATEMENT 3·3

Estimated Average Daily Earnings of Lowest-Paid 'Production Workers' and Others

(December, 1959)

(In Rupees)

Size Group	Average daily earnings of lowest-paid			Average daily earnings of Production Workers'	Average daily earnings of 'All Workers'
	Direct Workers	Contract Workers	All Workers		
1	2	3	4	5	6
1. Large Factories	2·51	2·83	2·60	3·57	3·72
2. Small Factories	1·95	1·94	1·95	3·56	3·60
3. All Factories	2·44	2·76	2·52	3·57	3·70

As in the case of 'all workers', the lowest-paid 'Production Workers' in large factories on the average earned more than those in smaller factories. The average daily earnings of such workers, in the Industry, as a whole, formed about 68 and 71 per cent. of the earnings of 'all workers' and 'Production Workers' respectively. Amongst the lowest-paid workers, those engaged through contractors, earned, on an average, Rs. 2·76 as against Rs. 2·44 earned by their counterparts employed directly. The higher average daily earnings of contract workers could be due to the fact that they were generally engaged on strenuous jobs like iron bar cutting, hammer-man, bundle binding, etc., and were, therefore, paid higher wages. Besides, in certain factories they were employed on piece-rate basis and therefore could earn more than those engaged direct who were generally time-rated.

3·3·3. *Earnings of Clerical and Watch and Ward Staff—*

During the course of the Survey, separate data on earnings of clerical and watch and ward staff were collected and are given in Statement 3·4.

STATEMENT 3·4

Estimated Average Daily Earnings of Clerical and Watch and Ward Staff
(December, 1959)

						(In Rupees)	
Size Group						Clerical and Related Workers (including Supervisory staff)	Watch and Ward and Other Services
1						2	3
1. Large Factories	..	..	..	..	..	6·51	2·71
2. Small Factories	..	..	..	..	..	4·35	2·06
3. All Factories	..	..	..	..	..	6·09	2·61

The average daily earnings of 'Clerical and Related Workers (including supervisory staff)' for the Industry, as a whole, were Rs. 6·09 as against Rs. 3·70 and 3·57 for 'all workers' and 'Production Workers' respectively. (Statement 3·2). As regards 'Watch and Ward and Other Services', they, on an average, earned Rs. 2·61 per day. Earnings of both 'Clerical and Related Workers' and 'Watch and Ward' staff were higher in large factories. Such a disparity was more pronounced in the case of 'Clerical and Related Workers'.

3·4. Components of Earnings —

The earnings of the workers in the Metal Rolling Industry consisted mainly of basic wages and dearness allowance. The share of other components of earnings was comparatively very little. The break-up of the total earnings of 'all workers' is presented in Statement 3·5.

STATEMENT 3·5

Estimated Average Daily Earnings by Components of 'All Workers' in the Metal Rolling Industry
(December, 1959)

										(In Rupees)
Size Group	Basic Earnings (Basic Wages and D.A. or Consolidated Wages)	Production/Incentive Bonus	Night Shift Allowance	House Rent Allowance	Transport Allowance	Overtime Pay	Money Value of Concessions in kind	Other Cash Allowances	Total	
1	2	3	4	5	6	7	8	9	10	
1. Large Factories	.. 3·28 (88·2)	0·32 (8·6)	—	—0·01 (0·2)	—	0·11 (3·0)	—	*	3·72 (100·0)	
2. Small Factories	.. 3·51 (97·5)	—	—	—	*	0·09 (2·5)	—	—	3·60 (100·0)	
3. All Factories	.. 3·33 (90·0)	0·27 (7·3)	—	*	*	0·10 (2·7)	—	*	3·70 (100·0)	

*Less than Re. 0·005

NOTE—Figures within brackets are percentages.

3.4.1. *Basic Earnings*—

The basic earnings, i.e., the basic wages and the dearness allowance, or the consolidated wages as the case may be, constituted 90 per cent. of the total earnings of 'all workers'. Such a proportion was much higher in small factories (about 98%) than in large ones (88%). It would be further seen from Statement 3.5 that the average daily basic earnings in small factories (Rs. 3.51) were higher than those in large ones (3.28). This difference could be due to the fact that quite a number of small factories surveyed were located in Punjab where, as revealed by the analysis of the earnings in the sampled units, the average daily earnings were comparatively on the high side. On the other hand, none of the large factories surveyed were located in Punjab. Survey results have revealed that dearness allowance, in addition to basic wages, was being paid separately in nearly 27 per cent. of the factories, representing 56 per cent. of large and 17 per cent. of small factories. Of such units, in about 21 per cent., it was linked to the Consumer Price Index Numbers. In about 42 per cent., the amount of dearness allowance payable varied according to the income slabs, while in the rest (i.e. 37%) it was being paid at a flat rate.

3.4.2. *Production Incentive Bonus* —

It is estimated that production incentive bonus was paid in only about 8 per cent. of the factories in the Industry, as a whole. All these factories happened to be of large size. This component accounted for about 7 per cent. of the total average daily earnings of the workers in the Industry (Statement 3.5).

Generally, production workers in certain departments, such as hot rolling mills, were entitled to receive production incentive bonus on attainment of fixed targets of production. The rates of payment varied from unit to unit depending upon the norms fixed for different items of production. In a few units, non-production workers (other than watch and ward staff) were also given the benefit of the production bonus at the rate of half of the amount payable to production workers.

3.4.3. *Night Shift Allowance*—

None of the units surveyed and working night shifts were paying any night shift allowance to their workers.

3.4.4. *House Rent Allowance* —

About 19 per cent. of the large factories, were found to be paying house rent allowance to some of their employees. Generally watch and ward staff were entitled to this benefit, the rate of payment being Rs. 3 per month. While in a few of such units the conditions for entitlement to house rent allowance was completion of one year's service, there was no such qualifying condition in others. One of the units surveyed was allowing such an allowance only to the manager, at the rate of Rs. 100 per month. Since only a few workers enjoyed this benefit, its share in the total average daily earnings was meagre.

3.4.5. *Transport or Conveyance Allowance—*

Payment of transport or conveyance allowance was almost absent in this Industry. Only in one of the small units surveyed, the benefit was enjoyed by only one of the members of clerical staff residing at a distance from the factory, as per service conditions agreed upon. The rate of payment was Rs. 15 per month.

3.4.6. *Overtime Pay—*

The Survey has revealed that over-time pay was the third main constituent of earnings of workers. They received, on an average an amount of Re. 0.10 or about 3 per cent. of their total daily earnings on account of over-time work. This amount included the normal wage as also the over-time premium.

3.4.7. *Other Cash Allowances and Concessions in Kind—*

The proportion of other allowances to the total earnings was found to be negligible. Concessions in kind were not being granted in any of the factories surveyed.

3.5. *Bonuses—*

Details of various bonuses paid each year to workers in the Industry are given below.

3.5.1. *Annual Bonus —*

It is estimated that approximately 41 per cent. of the metal rolling factories were paying annual bonus to their workers. In none of these factories, however, bonus was paid regularly. In 63 per cent. of the units paying this bonus, the last payment of annual bonus i.e., the one made before the present Survey, was at the discretion of the managements. In another 31 per cent. of such factories, it was paid as a result of mutual agreements and in the rest (i.e., 6%) the payment was made under adjudication awards. In most of the units, (i.e., about 61%) all workers were entitled to receive the benefit of annual bonus, while in some others, the payment was restricted to certain specific categories of permanent employees. The conditions for entitlement to bonus payment varied from unit to unit. Generally, completion of a period of service varying from 3 to 6 months during the bonus year was insisted upon. Similarly, the rate of bonus payment varied from unit to unit. In the last year of bonus payment, it ranged between 15 days' to one month's basic wages in some units and between 1/30th to 1/6th of the total consolidated wages earned during the bonus year in some others.

3.5.2. *Festival Bonus—*

Only about 7 per cent. of the factories in the Metal Rolling Industry reported the payment of festival bonus. However, there was no regular scheme for payment of this bonus. In about 77 per cent. of these it was paid at the discretion of the managements and in the rest (i.e., 23%) payment was made as a result of mutual agreements between the workers and the managements.

Generally all categories of workers were entitled to receive this bonus. The condition for eligibility was completion of a period of service ranging from 1 to 6 months. The rate of payment varied from unit to unit. For instance, in some, it ranged from Rs. 2 to Rs. 15 for the different categories of workers. In a few, 3 months' average basic wages were paid. In some others the rate of payment was one month's wages for the employees who had completed at least one year's service, and on pro-rata basis for others.

3.6. *Fines and Deductions*—

The practice of imposing fines on the workers was not in vogue in any of the metal rolling factories surveyed. Deductions from wages, wherever made were in conformity with the Payment of Wages Act.

CHAPTER IV

WORKING CONDITIONS

4.1. Shifts—

In nearly 55 per cent. of the factories in the Metal Rolling Industry, only one shift was worked daily. About 37 per cent. of the factories had two shifts, while in the rest (i.e., about 8%), three shifts were worked. Details appear in Statement 4.1.

STATEMENT 4.1
*Estimated Percentage Distribution of Metal Rolling Factories According
to Number of Shifts*
(1960 61)

Size Group	Number of Factories	Percentage of Factories having		
		One Shift	Two Shifts	Three Shifts
1	2	3	4	5
1. Large Factories	58	25.0	43.8	31.2
2. Small Factories	174	65.5	34.5	..
3. All Factories	232	55.4	36.8	7.8

The Survey results show that a majority of small factories (about 66%) had only one shift, while an absolute majority of large factories (75%) had two shifts or more. Three shifts were worked in some (about 31%) of the large factories only.

The percentage of factories having a night shift was about 24. About half of such factories had a regular system of transferring workers from the day shift to night and *vice versa*. The interval after which such a change-over was made, was a week in about 65 per cent. of the factories and a month in about 22 per cent. of the factories having regular system of change-over. In the rest (about 13%) the change-over was weekly for some departments and fortnightly for other departments. Statement 4.2 gives further details.

STATEMENT 4.2

*Estimated Percentage Distribution of Metal Rolling Factories According
to Change-over of Workers
(1960-61)*

Size Group	Number of Factories	Percentage of Factories having Night Shift	Percent- age of Factories having a Regular system of Change- over out of those Factories having Night Shifts	Percentage of Factories where the Change- over was			
				Weekly	Fort- nightly	Monthly	Others
1	2	3	4	5	6	7	8
1. Large Fac- tories ..	58	56.3	66.7	83.4	—	—	16.6
2. Small Fac- tories ..	174	13.8	25.0	—	—	100.0	—
3. All Fac- tories ..	232	24.4	49.0	65.3	—	21.6	13.1

4.2. *Hours of Work—*

According to the data collected, none of the metal rolling factories surveyed worked for more than 8 hours a day and 48 hours a week, as would be seen from Statement 4.3.

STATEMENT 4.3

*Daily Hours of Work in Metal Rolling Factories
(1960-61)*

Size Group	Number of Factories	Estimated Percentage of Factories where					
		Daily hours of work for majority of adult workers were					
		Less than 8	Equal to 8	More than 8	Night shift hours were		
					Up to 6	More than 6 and up to 7	More than 7 and up to 8
1	2	3	4	5	6	7	8
1. Large Fac- tories ..	58	25.0	75.0	—	33.3	—	66.7
2. Small Fac- tories ..	174	10.3	89.7	—	—	—	100.0
3. All Fac- tories ..	232	14.0	86.0	—	19.2	—	80.8

An overwhelming majority of the factories (86 per cent.) worked for 8 hours a day and in the rest (i.e., 14 per cent.), the daily hours of work were less than 8. In about 81 per cent. of the factories working night shift, the hours of work for such shift were between 7 to 8 while in the rest (i.e., 19 per cent.) the night shift hours did not exceed 6.

Workers employed through contractors were reported to be generally working for the same hours as direct labour in most of the units employing such labour. In few factories their hours of work were not fixed.

As regards the prevailing practices (at the time of the Survey) in respect of spread-over and rest intervals in the metal rolling factories the data collected appear in Statement 4.4.

STATEMENT 4.4

Estimated Percentage Distribution of Factories According to Duration of Spread-over and Rest Interval, etc.

(1960-61)

Sl. No Group	Number of Factories	Percentage of Factories where Spread-over was						Percentage of Factories where Rest Interval was			
		Day Shift			Night Shift			Day Shift		Night Shift	
		Up to 8 hours	More than 8 and up to 9 hours	More than 9 hours	6 to 7 hours	More than 7 up to 8 hours	More than 8 hours	$\frac{1}{2}$ to 1 hour	More than 1 hour	$\frac{1}{2}$ to 1 hour	More than 1 hour
1	2	3	4	5	6	7	8	9	10	11	12
1. Large Factories ..	58	18.8	75.0	6.2	11.1	33.3	55.6	81.2	18.8	77.8	22.2
2. Small Factories ..	174	3.4	69.0	27.6	—	—	100.0	72.4	27.6	50.0	50.0
3 All Factories ..	232	7.3	70.5	22.2	6.4	19.2	74.4	74.6	25.4	66.0	34.0

In a majority of units (about 70 per cent.), the spread-over during the day shifts ranged between 8 to 9 hours. The rest interval in about 75 per cent. of the units varied from $\frac{1}{2}$ hour to 1 hour, while in the rest it was for more than 1 hour. As regards night shifts, the spread-over for such shifts was of more than 8 hours' duration in about 74 per cent. of the units, while in the rest it was up to 8 hours only. The rest interval ranged between $\frac{1}{2}$ to 1 hour in a majority of cases (66 per cent.).

In some of the large factories surveyed, there were no fixed timings for rest intervals in the case of workers employed on certain types of jobs where because of heated surroundings it was difficult to work continuously for a long time. These workers were allowed to take rest after every half an hour or one hour of work. Prescribed timings of working hours were not being observed in about 36 per cent. of the units. In these units some of the workers were found working either during rest interval or after the scheduled hours.

4.3. *Dust and Fumes —*

The information collected shows that not many factories in the Industry were engaged in manufacturing processes giving off considerable dust, gases or fumes. In about 19 per cent. of the large factories surveyed, it was observed that some processes like pickling, furnace charging and welding did give off fumes, vapours or gases. Only one-third of these units had taken certain precautionary measures like isolation of the process involved and installation of local and general exhaust ventilation. Protective equipment had not been supplied in any of the units.

As regards house-keeping, it was found to be good in about two-thirds of the factories where processes giving off fumes, etc., were being carried on and in the rest it was unsatisfactory.

4.4. *Seating Arrangements —*

Seating arrangements for those workers who were obliged to work in a standing position, e.g., turners, fitters, etc., were provided, as required under the law, in only about 24 per cent. of the units in the Industry, comprising about 13 per cent. of large and 28 per cent. of small factories. Of these not providing such facilities, some maintained that provision of seating arrangements would hamper efficiency and progress of work. Others sought to justify the absence of seating arrangements on the basis of lack of space, nature of work involved, etc.

4.5. *Conservancy—*

As per Factories Act, 1948, it is obligatory for every factory, to maintain adequate number of latrines and urinals of the prescribed standards for the use of workers. The Survey has revealed that about 92 per cent. of the metal rolling factories had provided latrines for the use of their workers. All those who had not provided the same were small factories. About 45 per cent. of the factories having latrines, had water borne sewer or water borne septic tank latrines. The rest (i.e., 55 per cent.) had dry type pans, dry type bore holes, etc. In most of the cases, the latrines were of a permanent type. In about 92 per cent. of the units having latrines, they were properly screened. Water taps were provided in or near the latrines in about 57 per cent. of the units having latrines. The floors of latrines were impervious in most of the units having latrines (97 per cent.). The walls of the latrines were plastered in about 83 per cent. of these units. In the rest, either they were tarred or made of bricks without cement plaster. In nearly 67 per cent. of the factories employing women and providing latrines, separate arrangements had been made for female workers.

Approximately 74 per cent. of the factories had provided urinals for the use of their workers. About half of the units employing women had provided separate urinals for them. In about 87 per cent. of the units having urinals, they were properly screened. In most of the cases, the urinals were of permanent type and the floors were impervious. Generally the number of latrines and urinals provided was adequate.

4.6. Leave and Holidays—

Annual leave (i.e., earned leave) with pay is the only leave facility which is required to be granted by the employers to the employees as a statutory obligation by virtue of section 79 of the Factories Act, 1948. All other types of leave have come into vogue either as a result of voluntary agreements between the employees and the employers or under some adjudication awards in respect of some industries. Statement 4.5 shows the prevailing practice in regard to the grant of leave and holidays with pay in the metal rolling factories in the country.

STATEMENT 4.5

Estimated Percentage of Factories Granting Various Types of Leave with Pay (1960-61)

Size Group		Number of Factories	Percentage of Factories granting			
			Earned leave	Sick leave	Casual leave	Festival and National holidays
1		2	3	4	5	6
1. Large Factories	.. ..	58	100.0	18.8	57.5	93.8
2. Small Factories	.. ..	174	82.8	10.3	34.5	86.2
3. All Factories	.. ..	232	87.1	12.5	25.2	88.1

4.6.1. Earned Leave—

The present Survey has revealed that all the large and about 83 per cent. of the small factories were following the system of granting earned leave to their workers. For all workers covered under the Factories Act, the condition of eligibility, period of leave and the rate of payment were the same as laid down in the Act. In a few cases, however, the clerical, managerial and supervisory categories were enjoying more days of earned leave, (varying between 21 to 30) with full pay, than admissible under the Factories Act.

Information in respect of the number of workers who were granted earned leave during the calendar year 1959, and the extent of leave enjoyed by them was also collected during the Survey and the same is given in Statement 4.6.

STATEMENT 4.6

Estimated Proportion of Workers Granted Earned Leave with Pay (During 1959)

Size Group	Average Daily Number of Workers employed	Number of Workers who enjoyed leave	Percentage of Workers who enjoyed leave to the total Employed	Percentage Distribution of Workers who enjoyed leave, by periods of leave						
				Up to 5 days	Over 5 and up to 10 days	Over 10 and up to 15 days	Over 15 and up to 20 days	Over 20 and up to 25 days	Over 25 and up to 30 days	Over 30 days
1	2	3	4	5	6	7	8	9	10	11
1. Large Factories	20,037	11,906	59.4	18.0	20.4	42.5	7.9	4.2	6.2	0.8
2. Small Factories	5,073	2,395	47.2	36.4	21.8	33.7	3.5	1.9	1.6	1.1
3. All Factories	25,132	14,301	56.9	21.1	20.6	41.0	7.2	3.8	5.4	0.9

The proportion of workers who enjoyed earned leave during 1959 was about 47 per cent. In small factories, while it was higher in large factories (about 59 per cent.), the overall proportion being about 57 per cent. The none-too-large percentage of workers who availed of earned leave during 1959 was due, to some extent, to the fact that in some cases, instead of allowing actual leave, workers were paid leave wages in lieu thereof, while in others, workers were not entitled to leave as they had not completed the minimum qualifying period of service.

Of those availing themselves of earned leave, a majority (about 62 per cent.) enjoyed it for a period of over 5 to 15 days. Those who enjoyed more than 20 days formed only about 10 per cent. of the total.

4.6.2. *Casual Leave—*

Nearly 35 per cent. of the metal rolling factories in the country were allowing casual leave to their employees, (Statement 4.5). It was observed that about half of these granted it to only clerical, supervisory and administrative staff, while in the rest all permanent workers or all workers who completed a qualifying period of service varying from 6 months to one year were eligible to enjoy this facility.

In about 63 per cent. of the factories granting casual leave, it was allowed up to 10 days only. In another 7 per cent. leave for periods between 10 to 15 days was admissible. The period of leave was not fixed and was at the discretion of the management in the rest (about 30 per cent.). Full consolidated wages or basic pay and dearness allowance, as the case might be, were payable in all the units granting casual leave.

4.6.3. *Sick Leave—*

About 12 per cent. of the metal rolling factories were allowing sick leave with wages to their employees (Statement 4.5). Of these, about three-fourths allowed the facility to all workers, while in the rest, usually only permanent workers were entitled to the same. Production of medical certificate from a medical practitioner was insisted upon in only a few cases.

In approximately 54 per cent. of the units allowing such a benefit, a maximum of 10 days' sick leave was admissible to the employees. The period was over 10 days but up to 15 days in 25 per cent. of the units. In the rest (i.e., about 21 per cent), there was no fixed number of days allowed, as it was at the discretion of the management.

Employees were entitled to full basic wages and dearness allowance or consolidated wages as the case might be in three-fourths of the units granting sick leave. In the rest, the rate of payment was only one-half of the normal wages.

4.6.4. *National and Festival Holidays—*

The Survey results show that the practice of granting national and festival holidays with pay was followed in about 88 per cent. of metal rolling factories (Statement 4.5). Of these, about 68 per cent. granted such holidays to all workers, about 20 per cent. to only monthly-rated workers. Of the rest (i.e., 12 per cent.), in some the facility was available to only permanent workers while in

others such holidays with pay were given to only time-rated workers. In about 56 per cent. of the units, no condition for eligibility was prescribed, others had laid down such conditions as completion of a specified period of service, attendance on the preceding or following day of the holidays, etc.

In 50 per cent. of the units granting national and festival holidays the number of holidays allowed in a year was up to 5 only. In 32 per cent. of units, 5 to 10 holidays were allowed. About 15 per cent. of the units allowed over 11 to 15 holidays while in the remaining units (i.e., 3 per cent.), the number of holidays was 16 or more.

In all the units granting national and festival holidays, full basic wages and dearness allowance or consolidated wages as the case might be, were payable to the employees for these holidays.

4.7. *Weekly Offs* —

All the metal rolling factories surveyed were found to be complying with the provision of the Factories Act in regard to the grant of a weekly day of rest to their employees. It was, however, observed that the benefit of weekly off with wages was usually restricted to the monthly-rated staff. This was probably due to the fact that the payment of wages for the weekly day of rest is not obligatory under the existing law.

CHAPTER V

WELFARE AND AMENITIES

The provision of certain welfare facilities to industrial labour is a matter of considerable importance. Much thought and action has been devoted to the subject in India in the last few decades. Various committees or commissions appointed from time to time by the Government of India and State Governments have never failed to pin-point the urgency and utility of ameliorative measures in order to promote the welfare of the workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way in improving such conditions. In addition to providing facilities in compliance to the law, some of the employers have been making available certain benefits to the employees, even though they were under no statutory obligation to provide the same. During the present Survey, an attempt was made to assess the extent to which such obligatory and non-obligatory amenities were actually enjoyed by workers in the Industry. The Information collected in this respect is presented in the following paragraphs.

5.1. *Drinking Water Facilities—*

Suitable arrangements for the provision of drinking water facilities were found to be existing in all the metal rolling factories surveyed. In about 46 per cent. of the factories the facilities provided were in the form of water taps, in about 37 per cent. there were tubewells, in about 10 per cent. earthen pitchers and in the rest (7 per cent.) buckets, drums, etc. were found to have been provided for the purpose. Details appear in Statement 5.1.

STATEMENT 5.1

Drinking Water Facilities in Metal Rolling Factories (1960-61)

Size Group	Number of Factories	Estimated Percentage of Factories where drinking water facility existed	Estimated Percentage of Factories where water was supplied through				Estimated Percentage of Factories having arrangements for cool water in summer
			Earthen pitchers	Taps	Tube wells	Buckets, Drums, etc.	
1	2	3	4	5	6	7	8
1. Large Factories ..	58	100.0	—	68.8	25.0	6.2	50.0
2. Small Factories ..	174	100.0	13.8	37.9	41.4	6.9	72.4
3. All Factories ..	232	100.0	10.4	45.6	37.3	6.7	66.8

The Factories Act, 1948, prohibits the location of any drinking water point within 20 feet of latrines and urinals. The Survey has shown that in about 17 per cent. of the small factories the drinking water points were situated within the prohibited distance.

The rules framed by the State Governments under the Factories Act, provide that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during certain specified part of the year. The results of the Survey show that only about 8 per cent. of the metal rolling factories in the country were under a statutory obligation to make such arrangements and about four-fifths of them had actually done so. Many other units, which though employed less than 250 workers, had also made arrangements for providing cool water during summer and thus in the Industry as a whole such arrangements existed in about 67 per cent. of the factories. The most common arrangement was in the form of earthen-pitchers. Iced water was being supplied in only a few factories.

5.2. *Washing Facilities—*

Section 42 of the Factories Act lays down that adequate and suitable facilities for washing should be provided and maintained for the use of workers in every factory. Information collected would show that nearly 68 per cent. of the metal rolling factories in the country had made provision for washing facilities. The percentage of factories providing such facilities was higher among large establishments (75 per cent.) than among the small ones (about 66 per cent.).

Taps on stand pipes was the predominant arrangement for this purpose which existed in about 64 per cent. of these factories. Other arrangements were in the form of ordinary tap water (8 per cent.), wash basins with taps (8 per cent.), troughs with taps or jets (6 per cent.), etc. In units where separate washing facilities were not provided, workers were found using the drinking water points for this purpose. Cleansing material such as soap, soda, etc., was supplied to workers in about 39 per cent. of the units.

Of the units providing washing facilities and employing women, about 19 per cent. had made separate arrangements for them. In all such cases where separate facilities existed, proper screening arrangements had also been made.

5.3. *Bathing Facilities—*

It was found during the course of the Survey that about 22 per cent. of the metal rolling factories had provided bathing facilities. Large factories were leading in this respect as about 37 per cent. of them had provided this facility as against only about 17 per cent. of small factories. Among the factories providing bath rooms, women were employed in only about 7 per cent. and the bathing facility provided in such factories was meant for them only. Bath rooms provided were found to be quite clean in about 54 per cent. of the factories having this facility and in the rest (46%) their condition was just satisfactory.

5.4. *Canteens—*

Section 46 of the Factories Act, 1948 lays down that "the State Governments may make rules requiring that in any specified factory, wherein more than

two hundred and fifty workers are ordinarily employed, a canteen or canteen shall be provided and maintained by the occupier for the use of the workers". The present Survey reveals that about 31 per cent. of large factories, constituting about 8 per cent. of all factories in the country, were under a statutory obligation to provide canteen for the use of their workers and all of them have actually complied with the obligation. None of the other units surveyed had provided canteen. In about 80 per cent. of the canteens, only tea, coffee and snacks, etc., were sold to the workers while in the rest (*i.e.*, 20%), arrangements existed for the sale of meals as well. All the units had made arrangements for the supply of drinking water in the canteens.

Nearly 80 per cent. of the canteens were being run by contractors, while the managements themselves were responsible for running the rest (*i.e.*, 20%). The sale of items in about 40 per cent. of the canteens was at subsidised rates, while in the rest, they were being sold at the market prices. In the case of the former, regular subsidies were being granted by the managements to the canteens either to meet losses in case canteens were run by the managements themselves or to supply articles at cheap rates in case canteens were not run by the managements.

In about 40 per cent. of units having canteens, canteen managing committees had been constituted. These committees were responsible for fixing the prices of various items. In another 40 per cent. of units, the managements themselves fixed the prices. Contractors were entrusted with the responsibility of fixing the prices in only about 20 per cent. of the units, even though they were actually running canteens in about 80 per cent. of the units having canteens. Price lists of items sold were found to have been displayed in only about 40 per cent. of canteens. It is estimated that about one-third of the total number of workers employed in the units having canteens were visiting the canteens daily.

The location of about 60 per cent. of the canteens was found to be good inasmuch as their surroundings were clean, and they were some distance away from the places of work. The hygienic conditions too in these canteens were good or satisfactory. But in the rest (*i.e.*, 40 %) either the location or the hygienic conditions were unsatisfactory.

5.5. *Creeches* -

The Factories Act, 1948, requires all factories employing more than 50 women workers to maintain a creche of a prescribed standard. As mentioned earlier (Chapter II), the Metal Rolling Industry did not employ any sizeable proportion of women workers. In fact none of the factories surveyed employed more than 50 women workers and as such they were neither under any obligation to provide and maintain creches, nor they had done so.

5.6. *Lockers* -

Metal rolling factories in the country are not under any statutory obligation to provide lockers. However, about 25 per cent. of large factories surveyed constituting about 6 per cent. of all factories in the country, had provided lockers for the use of the workers.

5.7. *Rest Shelters —*

The Factories Act, 1948, makes it obligatory for every factory ordinarily employing more than 150 workers to provide rest shelters for the use of the workers. However, if such factories provide canteens, they are under no obligation to provide rest shelters.

It was noticed during the course of the Survey that about 31 per cent. of large factories were under a statutory obligation to provide rest shelters as they employed more than 150 workers and had no canteens. Of these, about two-fifths had actually provided rest shelters. In addition to these, a few more units, constituting about 7 per cent. of all factories, though not under obligation had provided rest shelters. Taking the Industry as a whole, about 10 per cent. of factories, whether under obligation or not, had provided rest shelters. The reasons given by the employer who were under an obligation to provide rest shelters but had not done so were that they lacked sufficient space and that the workers usually went to godowns for rest.

Rest shelters in all the units, where they had been provided as a statutory obligation, conformed to the prescribed standards inasmuch as they were sufficiently lighted, ventilated and maintained in a tidy condition. They also provided adequate protection against bad weather and provision for drinking water and suitable furniture had also been made therein. However, wherever they had been provided on a voluntary basis, they were found to be lacking in certain facilities e.g., either there was no provision for drinking water or the rest shelter building was not *pucca*.

5.8. *Recreation Facilities—*

The present Survey has revealed that not many metal rolling factories in the country were providing recreation facilities for their workers. Of the units providing recreation facilities, about 27 per cent., all of which happened to be large establishments, had made arrangements for indoor games such as carrom, cards and chess, and certain outdoor games such as badminton and volley ball. However, these facilities were available to only those who paid the prescribed subscription. Certain religious and social functions were also organised in these units. The managements were making ad hoc contributions to meet the expenses, and managed the activities themselves.

In the rest (*i.e.*, about 73%), only certain religious and social functions were celebrated. The cost of these functions was borne by the managements, who were directly responsible for making the necessary arrangements.

5.9. *Educational Facilities—*

The Survey results show that none of the factories surveyed in the Metal Rolling Industry was running any school to provide educational facilities to the children of their employees nor any subsidy was being paid to schools run by others. Adult education centres were observed to be functioning in 11 of the factories surveyed.

5.10. *Medical Facilities—*

The provision of medical facilities to the workers is not a statutory obligation for the employers. However, about 19 per cent. of large factories, constituting a very small proportion of factories at the all-India level, were running hospitals or dispensaries for the benefit of their employees. All such hospitals or dispensaries were manned by part-time doctors who attended to the workers on all working days and in times of emergency. The part-time doctors were generally available in the hospitals/dispensaries for 27 hours in a week. Other staff appointed was generally nurses and compounders. A few factories, that is about 6 per cent. of the large and about 10 per cent. of the small ones, constituting about 9 per cent. of all factories in the country, had made arrangements with local hospitals or medical practitioners for the treatment of their employees. These arrangements in large factories were in addition to the provision of their own hospital/dispensary facilities. Part-time doctors employed were, besides their normal duties, attending to emergency cases in the units.

The Survey has also revealed that contract labour wherever employed enjoyed the medical facilities in the same manner as direct labour.

5.10.1. *Ambulance Rooms—*

Under the Factories Act, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The rules framed by the State Governments prescribe the requirements of such rooms. According to the Survey, while none of the small factories surveyed were required to maintain ambulance rooms, about 19 per cent. of the large factories, constituting about 5 per cent. of all factories, were under a legal obligation to provide ambulance rooms and approximately one-third of them had actually done so. Ambulance rooms were generally under the charge of part-time doctors who were available for 3 to 6 hours in a week.

5.10.2. *First-Aid—*

The Factories Act, 1948, lays down that every factory shall maintain first-aid boxes at the rate of one for every 150 workers ordinarily employed. Standards have been prescribed regarding the items to be provided in the first-aid boxes. The law further requires that the first-aid boxes should be readily accessible to workers during all the working hours. The Survey results show that excepting one of the small factories surveyed, all other metal rolling factories (*i.e.*, about 97%) were maintaining first-aid boxes. The one which had not provided the first-aid boxes, stated that orders for procuring the equipment had been placed.

Though it is mandatory that each box should be under the charge of a trained first-aiders, it was found that in only about 33 per cent. of the units having first-aid boxes, the legal requirement had been satisfied. It was further observed that in most of the units (about 91%) the first-aiders had received St. John Ambulance Training.

While in most of the cases (about 97%) the first-aid boxes were easily accessible to the workers, the contents were found to be complete in only

about 45 per cent. of the units having this facility. The boxes, wherever deficient, were generally found lacking snakebite lancet, scissors, sterilised dressings and the copy of the first-aid leaflet issued by the Chief Adviser of Factories.

5-11. *Transport Facilities* —

A small proportion of large factories (about 6%) had provided free transport facilities to a few workers only. In another small size factory surveyed, only one of the members of the clerical staff, residing at a distance from the factory, enjoyed the benefit of transport/conveyance allowance to the extent of Rs. 15 per month.

5-12. *Other Amenities* —

The Survey shows that, in addition to what has been described above, no other facility or amenity had been provided in any of the units surveyed.

5-13. *Housing Facilities* —

At the time of the Survey, about 39 per cent. of the metal rolling factories had provided housing facilities to their workers, though the proportion of workers housed varied from unit to unit. Such proportion was higher in large factories (about 44%) than in the small ones (about 38%). Further details appear in Statement (5-2).

STATEMENT 5-2

Estimated Percentage of Factories Providing Houses Extent of Accommodation and Rent Charged
(1960-61)

Size Group	Number of Factories	Percentage of Factories Providing Houses	Percentage of Houses Consisting of			Percentage of Factories which charged rent
			One room	Two rooms	Three or more rooms	
1	2	3	4	5	6	7
1. Large Factories ..	58	43.8	89.2	10.0	0.8	—
2. Small Factories ..	174	37.9	92.0	6.7	1.3	—
3. All Factories ..	232	39.4	90.5	8.4	1.1	—

As many as nearly 91 per cent. of the houses provided were one-room tenements which were generally allotted to the production and the watch and ward workers. The housing accommodation provided to the supervisory, clerical and managerial staff, etc. was generally of two rooms and above. An encouraging feature pertaining to the provision of housing facilities to the workers in the Industry was that none of the units providing housing facilities charged rent from their employees. Almost all the houses provided were pucca-built.

It has been estimated, on the basis of the Survey, that of the 39,952 workers* employed in the Metal Rolling Industry, in December, 1959, only a small proportion, had been provided houses by the employers. Details are given in Statement 5·3.

STATEMENT 5·3

*Estimated Percentage of Workers allotted Houses in the Metal Rolling Industry
(1960-61)*

Size Group						Number of Workers* employed	Percentage of workers allotted houses
1						2	3
1. Large Factories	..	..	..	..	..	32,453	4·9
2. Small Factories	..	..	..	..	..	7,499	8·0
3. All Factories	..	..	..	..	..	39,952	5·5

*Covered under the Factories Act.

None of the units surveyed were providing any facility whatsoever to their employees for building houses.

CHAPTER VI

SOCIAL SECURITY

Prior to Independence, the only social security benefit enjoyed by the industrial workers was the one against industrial accidents under the Workmen's Compensation Act, 1923. Besides, women workers were entitled to maternity benefits under the various State Maternity Benefit Acts. However, since Independence much headway has been made in this direction. Particularly, consequent upon the enactment of the Employees' State Insurance Act, 1948, and the Employees' Provident Funds Act, 1952 workers have come to enjoy a greater measure of social security than before. A study of the provision of such social security benefits—both obligatory and non-obligatory was made during the course of the Survey and the results are presented in the following paragraphs.

6.1. *Provident Fund Schemes—*

The Employees' Provident Fund Scheme was introduced in the Metal Rolling Industry with effect from 1st November, 1952. Prior to this it was only in a few factories that workers were enjoying the benefit of provident fund. According to the present Survey, during 1960-61, provident fund schemes were in force in about 43 per cent. of the factories in the Industry. Details appear in Statement 6.1.

STATEMENT 6.1

Estimated Percentage of Factories having Provident Fund Schemes, etc.
(1960-61)

Size Group	Number of Factories	Percentage of Factories having Provident Fund Schemes	Estimated Total Number of Workers covered under the Factories Act as on 31-12-59	Percentage of Workers who were members of Provident Fund Schemes
1	2	3	4	5
1. Large Factories ..	58	87.5	32,153	43.4
2. Small Factories ..	174	27.6	7,499	14.9
3. All Factories ..	232	42.6	39,952	38.0

It will be seen that as against about 88 per cent. of large factories having provident fund schemes, only about 28 per cent. of small ones had the same facility. The low percentage of small factories having provident funds could be

due to the fact that for many of them it might not be obligatory to introduce provident fund scheme under the Employees' Provident Fund Act, which, at the time of the Survey*, applied only to factories having 50 or more workers. Besides, some of the small factories might not have completed three years' existence and hence, were not within the purview of the Act.

The provident fund schemes in force, in all the units having such schemes were operating under the Employees' Provident Fund Scheme framed by the Government of India in 1952, and consequently the categories of workers covered under the Scheme, qualifying conditions, the rate of contributions, etc., were the same as laid down in the Scheme. Of the workers covered under the Factories Act nearly 38 per cent. were enjoying the benefits of provident fund schemes as on 31st December, 1959. It is significant that as against about 43 per cent. of the workers who were members of the provident fund schemes in the large factories, there were only about 15 per cent. of such workers in the small ones.

6.2. *Pension Schemes—*

None of the metal rolling factories surveyed had any pension scheme for their employees.

6.3. *Gratuity Schemes—*

Even though the payment of gratuity to workers at the time of their retirement and resignation from service, etc., was not obligatory, in one of the small factories, surveyed the practice of making such payments existed. Gratuity in this unit was payable to all categories of workers on retirement, death, resignation and termination of service by the employer. The rate of payment was 15 days' wages for each completed year of service. The payment of gratuity was being made under a regular scheme. During 1959, however, no worker was reported to have received gratuity.

6.4. *Maternity Benefits—*

Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities, etc., to women employed in factories, exists in almost all States under the various Maternity Benefit Acts passed by the State Governments. However, where the Employees' State Insurance Scheme has been implemented the employers are absolved of their liability under the concerned Maternity Benefit Act.

During the course of the Survey information regarding maternity benefit could be collected only in respect of those sampled units where the Employees' State Insurance Scheme was not in force and the benefit where payable, was paid by the employers direct. On this basis, it is found that no claims for maternity benefit were made in any of such units during the period under reference, i.e., 1959.

*Almost all the factories where provident fund were not in force were covered before December, 1960 when the Employees' Provident Fund Act was extended to factories employing 20 or more workers.

6.5. Industrial Accidents—

The Workmen's Compensation Act, 1923, as amended from time to time and the Employees' State Insurance Act, 1948 provide for the compensation to workers who are injured on account of accidents arising out of and in the course of employment. Provisions of the Workmen's Compensation Act were applicable at the time of the Survey, to all the metal rolling factories excepting those covered under the Employees' State Insurance Scheme. About 38 per cent. of the factories in the Metal Rolling Industry reported the occurrence of accidents during 1959. An estimated number of 2,375 workers were involved in these accidents, of whom 1,604 were employed directly and the rest (i.e., 771) through contractors. Perhaps a better picture of the extent of occurrence of accidents can be had when the number of workers involved in accidents *vis a vis* the number of workers employed is taken into account. The number of workers involved in accidents per thousand workers employed, based on the estimate of average number employed during 1959, as also distribution of workers involved by nature of accidents, are given in Statement 6.2.

STATEMENT 6.2

Estimated Distribution of Workers involved in Accidents by Nature of Accident (During 1959)

Size Group		Estimated Average Number of W rkers employed	Number of Workers involved in Accidents per 1,000 workers employed resulting in			
			Death	Permanent Disability	Temporary Disability	Total
1		2	3	4	5	6
1. Large Factories	.. ..	20,057	—	0.7	80.7	81.4
2. Small Factories	.. ..	5,075	—	2.6	143.6	146.2
3. All Factories	.. ..	25,132	—	1.1	93.4	94.5

It will be seen that the frequency rate of accidents was higher in small factories than in the large ones. The overall rate of accident per thousand workers was fairly high, being 94.5 for all workers employed directly and through contractors. However, the high rate of accidents in this Industry need not be taken to indicate an alarming situation inasmuch as most of the accidents caused only temporary disability, while the number of persons involved in accidents resulting in permanent disability was insignificant. Fatal accidents were not reported at all. None of the units surveyed reported any occupational disease afflicting its workers, in respect of which payment was made.

CHAPTER VII

INDUSTRIAL RELATIONS

7.1. *Industrial Dispute* —

Data pertaining to industrial disputes in the Industry were not collected during the course of the Survey. However, information on certain other aspects of industrial relations was collected and the findings are discussed below.

7.2. *Trade Unionism*—

It was found that, in the Industry as a whole, workers were organised into trade unions in about 48 per cent. of the metal rolling factories. It would also appear that trade unionism had developed more in large factories since nearly 75 per cent. of such establishments had trade unions as against only 39 per cent. of small factories. The details regarding the extent of unionism in large and small factories are given in Statement 7.1.

STATEMENT 7.1

Estimated Percentage of Factories where Workers were Members of Trade Unions etc.
(1960-61)

Size Group	Number of Factories	Percentage of Factories where Workers were Members of Trade Unions	Total Number of workers* 31-12-1959	Percentage of workers who were Members of Trade Unions	Percentage of Factories where Trade Unions were recognised
1	2	3	4	5	6
1. Large Factories ..	58	75.0	32,453	52.0	58.3
2. Small Factories ..	174	39.3	7,499	31.0	18.2
3. All Factories ..	232	48.2	39,952	48.1	33.8

*Covered under the Factories Act.

It will be seen from the Statement (7.1) that about 48 per cent. of the workers employed in the Industry were members of the trade unions. All the unions functioning were registered under the Trade Unions Act. Recognition by managements to one or more unions had been accorded in only about 34 per cent. of the factories having unions.

As regards activities of the trade unions, securing of claims of their members under the various labour laws was their main activity. Besides securing

claims, some of the unions stated that they were rendering relief to their members in distress. Recreation and welfare facilities were also being provided by some of the unions. Details in respect of activities of the unions, other than that of securing claims, are given in Statement 7·2.

STATEMENT 7·2
Estimated Percentage Distribution of Unions According to Their Activities
(1960-61)

Size Group	Percentage of Unions providing			
	Recreation Facilities	Welfare Facilities	Adult Education	Relief to distressed members
1	2	3	4	5
1. Large Factories ..	12·1	6·1	6·1	12·1
2. Small Factories ..	8·0	41·3	—	58·7
3. All Factories ..	9·9	24·8	2·8	36·9

7.3. *Collective Agreements—*

During the Survey, information in respect of collective agreements concluded in sampled establishments since 1956 was collected. It was found that such agreements had been entered into in about 24 per cent. of the factories in the industry. The proportion of such factories among the two size-groups, was more or less the same.

As regards the issues settled in these agreements, bonus, wages and retirement were the three prominent items which featured in about 55, 25 and 22 per cent. of the agreements respectively. Other issues, related to gratuity, leave with wages, service conditions, etc.

7·4. *Standing Orders—*

Under the Industrial Employment (Standing Orders) Act, 1946, framing of standing orders is obligatory only for those establishments which employ 100 or more workers. The State Governments are, however, empowered to extend the provision to establishments employing even smaller number of workers.

At the time of the Survey, it was found that about 24 per cent. of the factories in the country, comprising about 75 per cent. of large and about 7 per cent. of small factories surveyed, had framed standing orders for regulating the service conditions of their employees. In about one-fifth of such factories the standing orders framed related to 'Production Workers' only while in the rest besides 'Production Workers', 'Clerical' and/or 'Watch and Ward Staff' were also covered. In all the factories where standing orders had been framed, the same were duly certified by the certifying authority.

7.5. *Labour Welfare Officers—*

With a view to enabling employers to have better arrangements for personnel management and to help them in ensuring proper implementation of labour laws, a specific provision has been made in the Factories Act requiring all factories employing 500 or more workers to appoint a welfare officer. The rules framed by the State Governments under the Act, prescribe the functions and duties of these officers.

At the time of the Survey, it was observed that hardly about 19 per cent. of large factories, constituting about 5 per cent. of all factories in the Industry were under an obligation to appoint Welfare Officers. It is not surprising since most of the metal rolling factories happened to be employing less than 500 workers. It is estimated that of the factories under such an obligation, about two-thirds had actually appointed such officers. The welfare officers had a wide range of activities and were found performing those duties as proscribed in the rules framed under the Act. Attending to grievances of workers and maintenance of harmonious relations between the management and employees was one of their most important functions. Besides, in half of the units having such officers, the latter were not only connected with the recruitment of workers and the supervision of welfare activities, but also represented the managements before the tribunals, etc., in cases of industrial disputes.

7.6. *Works and Joint Committees*

Though the utility of works and/or joint committees was never in doubt, it was not till the enactment of the Industrial Disputes Act, 1947, that any positive step was taken by the Government for the setting up of such committees. Under the above Act, constitution of Works Committees became obligatory for all those industrial establishments which employed 100 or more workers.

The Survey results show that though all the large establishments surveyed were employing more than 100 workers, and hence under an obligation to constitute such committees, only about 12 per cent. of them had constituted such committees. Different reasons were put forth for not setting up such committees. While most of the managements attributed it to the lack of interest on the part of the workers and their unions, some others maintained that they had never been asked to constitute such committees, or that they had never felt any need for them.

Of the two sampled units where the works committees were in existence, the same consisted of equal representatives of workers and the managements. In one unit, only one meeting was held during 1959 and the topics discussed related to improvements in the canteen, supply of shoes to rolling mills workers and circulation of list of holidays. In the other unit, though 17 meetings took place during 1959, the only important items discussed were amendment of the standing orders and the grant of sick leave. However, in both the units it was stated that all the decisions taken by the works committees, were implemented.

7.7. *Production and other Committees—*

Safety Committee was found in existence in only one of the large factories surveyed. The Committee consisted of 5 members, three nominated by the

management and two elected by the workers. It dealt with matters like analysing the causes of accidents occurring in the factory and advising the management regarding the precautionary steps to be taken.

Standing Orders Committee, consisting of 5 elected members of the workers, was found in existence in another large factory surveyed. The function of the committee was to take up grievances, if any, of the workers with the management.

7·8. *Grievance Procedure—*

With the enactment of Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all factories employing 100 or more workers to frame standing orders, prescribing also, *inter alia*, the procedure to be followed for redress of grievances. As mentioned elsewhere in this Chapter, about 24 per cent. of the factories had framed standing orders and consequently, a prescribed grievance procedure had been laid down in such units. Survey results show that in addition to these units, such a procedure existed in a few more of the metal rolling factories as well.

As regards the prevailing practices for settling the grievances, in small factories, where the workers could generally have an easy access to the employers, all grievances were usually being attended to by the proprietors themselves. In some cases, they were settled at the Manager's level. In large factories the practices varied widely. While in some factories, the arrangements were elaborate to the extent that the complaints, in prescribed forms, were received by the Labour Officer for his enquiry, through the departmental heads, who submitted his findings to the Manager for final decision within a prescribed time; in some other factories, the complaints were received directly by the Manager and were disposed of finally at his level. In a few factories, all grievances were taken up by the respective unions with the managements while in some others, the grievances were being redressed by mutual discussion in the Works Committees and Standing Order Committees set up for the purpose.

7·9. *Association of workers with the Management—*

The present Survey shows that none of the units surveyed had introduced any scheme of associating workers with the management.

CHAPTER VIII

LABOUR COST

Information relating to labour cost was collected from sampled establishments in respect of employees covered under the Factories Act and receiving less than Rs. 400 per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the 'Study of Labour Costs in the European Industry', made by the International Labour Office in 1956, with such modifications as were considered necessary in the light of conditions in India. For instance, in view of the fact that wages in India are paid on the basis of 'days' instead of 'hours', data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, except for very few establishments, separate records of payments made for leave or holidays, or for days not worked, were not maintained and hence these were dropped as separate items and included under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group, referred to above, or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country, e.g., lay off, re-trenchment compensation, etc.

The Survey started in late December, 1959, and ended in June, 1961. With a view to maintaining comparability of data and ensuring uniformity, it was decided to collect information, as far as possible, for the year 1959. If, however, the financial year of the establishment did not coincide with the calendar year, or it was not feasible to collect information for the year 1959 the field staff were asked to collect the data for the latest period of 12 months for which information was available, subject to the condition that a major period of the year 1959 was covered. The available data show that by and large, it was possible to collect information for the year 1959. Therefore the information given below should be treated to relate to the year 1959.

8.1. *Labour Cost per Man-day Worked—*

Data in respect of man-days worked and the corresponding wages and other earnings of the workers were collected for the above-mentioned period. Further, expenditure incurred by the employers on various welfare and social security measures, subsidy services, etc., representing the cost incurred by the employers on labour was also recorded during the course of the Survey. Based on the above, the average labour cost per man-day worked has been estimated and is given in Statement 8.1.

The overall labour cost per man-day worked for the industry as a whole is estimated at Rs. 4.19. It was higher in large factories (Rs. 4.27) than in the small ones (Rs. 3.84).

STATEMENT 8.1

Estimated Labour Cost Per Man-day Worked in Metal Rolling Factories
(1959)

							(In Rupees)
Size Group							Labour Cost Per Man-day Worked
1							2
1. Large Factories	..	..	..	..	..	..	4.27
2. Small Factories	..	..	..	..	..	..	3.84
3. All Factories	..	..	..	..	..	..	4.19

8.2. *Components of Labour Cost—*

The main component of labour cost in the Metal Rolling Industry was wages. Statement 8.2 presents the various components of labour cost per man-day worked.

STATEMENT 8.2

Estimated Labour Cost Per Man-day Worked by Main Components in Metal Rolling Factories
(1959)

											(In Rupees)
Size Group	Wages	Premium pay for over-time and late shifts	Bonuses	Other Cash Payments	Pay-ments in kind	Social Security Contributions		Subsi-dies	Direct bene-fits	Other payments	Total
						Obliga-tory	Non-obliga-tory				
1	2	3	4	5	6	7	8	9	10	11	12
1. Large Factories	3.67 (85.95)	0.10 (2.34)	0.19 (4.45)	0.04 (0.94)	0.01 (0.23)	0.19 (4.45)	—	0.06 (1.41)	*	0.01 (0.23)	4.27 (100.0)
2. Small Factories	3.49 (90.89)	0.10 (2.60)	0.05 (1.30)	0.01 (0.26)	0.02 (0.52)	0.11 (2.87)	—	0.03 (0.78)	*	0.03 (0.78)	3.84 (100.0)
3. All Factories	3.64 (86.87)	0.10 (2.39)	0.16 (3.82)	0.03 (0.72)	0.01 (0.24)	0.18 (4.20)	—	0.66 (1.43)	*	0.01 (0.24)	4.19 (100.0)

NOTE—Figures within brackets are percentages to total.

*Less than Rs. 0.005.

8.2.1. *Wages*—

This component comprised basic wages, dearness allowance, incentive or production bonus and attendance bonus. Since most of the establishments did not maintain separate records of payments made for days actually worked and for leave and holiday periods, the amount of 'wages', therefore, included sums paid for the days worked as well as for the days not worked but paid.

It will be seen from Statement (8.2) that 'wages' alone constituted about 87 per cent. of the total labour cost in the Industry. Among small factories, this proportion was still higher, being about 91 per cent.

Further break-up of 'wage cost' into various sub-groups viz., basic earnings, incentive or production bonus and attendance bonus is given in Statement 8.3.

STATEMENT 8.3
Break-up of 'Wages Cost' by Components
(1959)

(In Rupees)				
Size Group	Basic Wages and Dearness Allowance	Incentive/ Production Bonus	Attendance Bonus	Total
1	2	3	4	5
1. Large Factories	.. 3.47 (94.55)	0.20 (5.45)	—	3.67 (100.00)
2. Small Factories	.. 3.49 (100.00)	*	—	3.49 (100.00)
3. All Factories	.. 3.48 (95.60)	0.16 (4.40)	—	3.64 (100.00)

NOTE—Figures within brackets are percentages to total.

*Less than Re. 0.005.

It is evident from the Statement (8.3) that the 'wage cost' mainly comprised basic wages and dearness allowance which accounted for 95.6 per cent. of it in the Industry as a whole. The rest of the amount was on account of incentive or production bonus, which was generally being paid in large factories only. None of the units surveyed had incurred any expenditure on the payment of attendance bonus during the year.

8.2.2. *Premium Pay for Overtime and Late Shifts*—

Under this group, the premium part of pay for overtime, late shifts and work on holidays, etc., was recorded. This was represented by an amount received by workers in addition to their normal pay. That is, if workers were paid one and half times their normal rates of wages for overtime work, the extra amount paid to them, i.e., one half was recorded against this item.

It would be seen from Statement 8.2 that the cost on account of this item accounted for a small proportion of the total labour cost per man-day worked. Among large and small factories, there was only a shade of difference.

8.2.3. Bonuses—

Under this group, data were recorded in respect of payments made in the shape of festival, year-end, profit-sharing and other similar types of bonuses if any, paid each year to the employees. The combined cost in respect of all such bonuses amount to Re. 0.16 per man-day worked (Statement 8.2) or 3.8 per cent. of the total labour cost in the Industry as a whole.

Further break-up of such bonuses shows that year-end bonus constituted about 94 per cent. of the cost on account of bonus payments while the rest (*i.e.*, about 6%) was accounted for by festival bonus.

8.2.4. Other Payments in Cash and kind—

Other cash payments constituted only a small proportion of the total labour cost (Statement 8.2). They were in the form of house-rent allowance, travelling allowance, parade allowance, etc., and certain *ex-gratia* payments. Expenses on account of certain payments in kind such as distribution of sweets on festivals, provision of soap, oil, tobacco, cold drinks and tea, etc., amounted to Re. 0.01 only per man-day worked.

8.2.5. Social Security Contributions—

Information in respect of this component of labour cost was collected under two heads: (a) obligatory—*i.e.*, those expenses which the employers were required to incur in compliance with certain labour laws, and (b) non-obligatory—*i.e.*, those social security contributions which the employers were making on a voluntary basis without any legal compulsion. The Survey results show that the entire cost on account of this component related to obligatory social security contributions only and accounted for only a small proportion (4.3%) of the total labour cost (Statement 8.2). Details about the labour cost in respect of various items of social security contributions for which the information was collected are given in Statement 8.4.

STATEMENT 8.4

Estimated Cost of Obligatory Social Security Contributions Per Man-day Worked (1959)

Size Group	Provi- dent Fund	Retrench- ment Com- pensa- tion	Com- pensa- tion for lay- off	Em- ployees' State Insu- rance Contri- bution	Compensation for		Mater- nit bene- fits	Depend- ants allow- ance	Others	Total
					Employ- ment injury	Occupa- tional diseases				
1	2	3	4	5	6	7	8	9	10	11
1. Large Factories	0.13 (68.42)	0.01 (5.27)	0.01 (5.26)	0.04 (21.05)	*	—	—	—	—	0.19 (100.00)
2. Small Factories	0.05 (45.46)	0.01 (9.09)	0.01 (9.09)	0.04 (36.36)	*	—	—	—	—	0.11 (100.00)
3. All Factories	0.12 (66.67)	0.01 (5.56)	0.01 (5.55)	0.04 (22.22)	*	—	—	—	—	0.18 (100.00)

NOTE—Figures within brackets are percentages to total.

*Less than Re. 0.005.

It is estimated (Statement 8.4) that 66.7 per cent. of the labour cost on account of social security contributions was in respect of provident fund contributions. The item next in importance was contributions on account of the Employees' State Insurance Scheme which accounted for about 22.2 per cent. of the labour cost on social security contributions. The rest of the cost related to compensation for lay-off and retrenchment.

8.2.6. Subsidies—

Cost to employers for providing certain facilities and services to the workers and their families was collected under this head. The facilities listed were: Medical and Health Care, Canteens, Restaurant and Other Food Services, Company Housing, Building Fund, Credit Unions and Other Financial Aid Services, Creches, Educational Services, Cultural Services (e.g., Library, Reading Rooms, etc.), Recreational Services (clubs, sports, etc.), Transport, Sanitation (at work places), Drinking Water Facilities, Vacation Homes, etc. The amounts recorded were net payments made by the employers including depreciation but excluding capital expenditure. In the course of the pilot enquiries, it was noticed that, in most of the cases, employers either did not maintain any records separately for the above-mentioned items of the expenses related not only to persons falling within the scope of the study but also to others. Consequently, the field staff were asked to obtain estimates, wherever such statistics were not available separately for the above-mentioned items and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. Statement 8.5 shows the cost of subsidies per man-day worked as revealed by the data collected.

STATEMENT 8.5

Estimated Cost of Subsidies Per Man-day Worked in the Metal Rolling Industry (1959)

(In Rupees)													Percentage of Subsidies to total Labour Cost
Size Group	Medical and Health Care	Canteen	Restaurants and other food Services	Company Housing	Creches	Recreational and cultural services	Transport	Sanitation	Drinking Water	Educational Services	Others	Total	
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Large Factories	0.02 (33.33)	0.01 (16.66)	*	0.01 (16.67)	—	*	*	0.01 (16.67)	0.01 (16.67)	—	*	0.06 (100.00)	1.41
2. Small Factories	*	—	—	0.01 (33.33)	—	*	—	0.01 (33.34)	0.01 (33.33)	—	*	0.03 (100.00)	0.78
3. All Factories	0.02 (33.33)	0.01 (16.66)	*	0.01 (16.67)	—	*	*	0.01 (16.67)	0.01 (16.67)	—	*	0.06 (100.00)	1.43

Note — Figures within brackets are percentages.

*Less than Re. 0.005.

As the Statement (8·5) would show, the expenditure on subsidies constituted a minor proportion of the total labour cost. The main item of expenditure was medical and health care, which accounted for about one-third of the total cost on subsidies, other items being canteen, company housing, sanitation and drinking water, each of which accounted for 16·7 per cent. of the labour cost on subsidies. The cost on account of restaurant and food services, recreation facilities and transport facilities was almost negligible. In small factories, the cost on subsidies was nearly half of that incurred by large ones.

CHAPTER IX

SUMMARY OF CONCLUSIONS

The origin of the Metal Rolling Industry is traceable to 1929 when a few factories were set up for rolling scrap into useful sections. World War II gave a fillip to the Industry and by 1941 there were as many as 150 factories. Notwithstanding the relative shortage of raw material from time to time, the Industry continued making rapid strides and by 1951 there were 230 factories employing nearly 27,500 workers. The planned era further accelerated the growth of the Industry and by 1961 the number of factories went up to 319. The Industry is dispersed throughout the country which, incidentally, is of great advantage in meeting regional demands.

On the basis of the present Survey, it is estimated that, as on 31st December, 1959, the Industry employed about 40,300 workers. Nearly 91 per cent. of the employees were 'Production and Related Workers' (including Supervisor), 'Watch and Ward and Other Services' (4%), and the rest were accounted for by 'Clerical and Related Personnel', (including Supervisors), 'Professional Technical and Related Personnel', and 'Administrative, Executive and Managerial Personnel'.

The Survey has revealed that the working force in the Industry comprised predominantly of men. Child labour was totally absent and women constituted an insignificant proportion. Only about 7 per cent. of the 'Production Workers' were being paid on piece-rate basis and the rest were all time-rated.

Nearly 57 per cent. of the factories employed some of their workers through contractors. Such workers constituted about 27 per cent. of the total production workers. Contract workers were mainly engaged on such jobs as cutting of scrap, circular bars, slabs, plates and billets, polishing, weighing and packing of finished goods and loading and unloading. As regards recruitment of workers the general practice was to recruit workers directly at the factory gate without the assistance of intermediaries.

Nearly 60 per cent. of the 'Production Workers' were permanent, 30 per cent. temporary, 7 per cent. casual and the rest were probationers, *bailis*, apprentices and a few unpaid workers. Distribution of 'Production Workers' employed directly, according to their length of service shows that about 82 per cent. of the workers were having less than 5 years of service.

During 1959, the average absenteeism rate among 'Production Workers' was about 10.4 per cent. This rate was the highest in June (14%) and lowest in January (8.1%). The monthly variations in the absenteeism rate were due to such factors as sickness, social and religious functions. The average monthly rates of accession and separation in the Industry, during 1959, were quite significant, being of the order of about 10.8 and 9.1 per cent. respectively. Both accession and separation rates were higher than those

There has been no standardisation of wage rates in the Industry either on an all-India or regional basis. Data collected on wage revisions which took place during the period 1956-60, indicate that wage revisions were effected in only about 16 per cent. of the factories in the Industry.

The pay period for a majority of workers (56%) was a month. It was a week for about 23 per cent. and a fortnight for about 20 per cent. For the rest, either it was a day or no fixed pay period at all.

The average daily earnings of 'all workers' in the Industry were Rs. 3.70 during December, 1959. 'Production and Related Workers' earned on an average Rs. 3.57, 'Clerical and Related Workers' Rs. 6.09 and 'Watch and Ward and Other Services' Rs. 2.61. The average daily earnings of the lowest paid 'Production Workers' were Rs. 2.52.

The practice of paying a separate dearness allowance was prevalent in about 56 per cent. of large and 17 per cent. of small or nearly 27 per cent. of factories in the Industry. Of those which paid separate dearness allowance, in only 21 per cent. it was linked to Consumer Price Index Numbers. Basic wages and dearness allowance accounted for 90 per cent. of total earnings. Production or Incentive Bonus and overtime pay were the other major components constituting about 7 and 3 per cent. of the total respectively.

The practice of paying annual bonus existed in about 41 per cent. of the factories in the Industry. There was no regular scheme in any factory for paying this bonus and the rate of payment varied from unit to unit. Festival bonus was being paid in only three of the units surveyed, accounting for about 7 per cent. of the factories in the Industry.

A majority of the factories (55%) worked only one shift everyday. Those which worked two shifts daily constituted about 37 per cent. and the rest worked three shifts daily. Factories working night shift formed about 24 per cent. of the total establishments surveyed.

None of the factories surveyed were working more than an 8-hour day and a 48-hour week. In fact, the actual hours of work were eight in 86 per cent. of the factories and less than eight in the rest. All establishments maintained that they allowed rest interval for at least half an hour.

Hazards of dust and fumes, etc., were noticed in only a few factories in the Industry. In about one-third of them, precautionary measures had been taken. Seating arrangements for workers obliged to work in a standing position existed in only about 24 per cent. of the factories.

In regard to such basic necessities as latrines and urinals, the position was found to be quite satisfactory. The proportion of factories where these facilities existed was about 92 and 74 per cent. respectively.

All large factories were found to be granting earned leave according to the provision of the Factories Act but among small factories about 17 per cent. were not doing so. It is estimated that in 1959, about 57 per cent. of the workers in the Industry enjoyed earned leave. The practice of granting casual leave and sick leave existed in about 35 per cent. and 12 per cent. of the factories respectively. National and/or festival holidays with pay were

being granted by about 88 per cent. of the factories. All sampled factories surveyed were found to be complying with the provision of law in regard to granting of weekly offs to their employees. Except for monthly-rated staff, such offs enjoyed by the employees were without pay.

Suitable arrangements for the supply of drinking water existed in all the factories surveyed. Cooled water during summer was being supplied in most of the factories obliged to do so. Washing facilities had been provided in about 68 per cent. of the factories and bathing facilities were available in nearly 22 per cent. of the factories in the Industry.

All factories employing 250 or more workers, comprising nearly 8 per cent. at the all-India level, had provided canteens. Besides tea, snacks, etc., meals were being served in about one-fifth of the canteens. They were being run mostly by contractors and items were being sold at subsidised rates in about 40 per cent. of them.

Of the factories under an obligation to provide rest shelters, about two-fifths had actually done so. Hospitals/dispensaries manned by part-time doctors and other staff existed in about 19 per cent. of large factories only. Besides, about 9 per cent. of factories in the Industry had made arrangements with some local hospitals or medical practitioners for the treatment of their employees. Excepting a few small factories, all others had provided first-aid boxes which were under the charge of trained first-aiders in only about one-third of the factories. The boxes provided contained all the prescribed items in only about 45 per cent. of the factories.

Nearly 39 per cent. of the factories had provided houses which accommodated only a small proportion (about 6%) of the total workers in the Industry. The houses provided, all rent free, were mostly one-room tenements.

Provident Fund Schemes existed in about 43 per cent. of the factories in the Industry and 38 per cent. of the workers in the Industry were members of these funds. All such factories where this facility existed, the scheme in force was the Employees' Provident Fund Scheme. The system of paying gratuity was almost non-existent.

It is estimated that during 1959 the number of workers involved in accidents per thousand workers employed in the Industry was about 94.5. Almost all the workers involved in accidents suffered only temporary disabilities.

Trade unions existed in about 48 per cent. of the metal rolling factories and almost the same proportion of workers in the Industry were members of these unions. Trade Unionism seemed to have developed more in large factories than in the small ones.

Collective agreements, since 1956 had been concluded in only about 24 per cent. of the factories in the Industry. The agreements mostly related to such issues as bonus, revisions of wages, retrenchment, gratuity, etc.

Standing orders for regulating service conditions had been framed in about 24 per cent. of the factories in the Industry. The standing orders covered not only 'Production Workers' but 'Clerical' and/or 'Watch and Ward' staff also in most of the units.

Of the factories under statutory obligation to appoint welfare officers, about two-thirds had actually done so. Works Committees had been constituted in about 12 per cent. of the factories required under law to do so.

In units where the standing orders had been framed (i.e., about 24%), workers' day-to-day grievances were being attended to under the provisions of such orders. Besides, a few factories where there were no standing orders, some prescribed procedure for settling the grievances existed.

Data pertaining to labour cost collected in respect of workers getting less than Rs. 400 per month show that, in 1959, the cost per man-day worked in the Industry was Rs. 4.19. It was higher in large factories than in the small ones. Wages element i.e., basic wages, dearness allowance and incentive/production bonus, alone accounted for 86.9 per cent. of the total labour cost. Other important elements were social security contributions (4.3%), bonuses (3.8%), premium pay for overtime and late shifts (2.4%) and subsidies i.e., certain facilities and services provided to workers and their families (14%).

APPENDIX

*A Brief note on the Sample Design and the Method of Estimation Adopted***1.2. Sample Design—**

For the Survey of Labour Conditions, a stratified sampling design with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas, was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Units in each industry/ regional stratum were divided into two size groups *i.e.*, upper and lower. The cut-off point used for the classification of units into two size-groups was the same as used for the Wage Census conducted by the Bureau in 1958-59. However, in the case of this Industry there was no regional stratification and sample units were selected from the all-India list.

In regard to sample size, it was thought that a sample of 25 per cent. from upper size group and $12\frac{1}{2}$ per cent of the lower size-group would yield reasonably good results. However, the experience of earlier Surveys had shown that in view of non-availability of up-to-date frames, quite a large number of sampled establishments were found to have ceased functioning or to have changed the line of production when they were visited. In order to safeguard against undue shrinkage of the sample size due to such contingencies, it was decided to enlarge the sample size suitably in the light of the experience of the Wage Census conducted by the Bureau and on the basis of a study of closures of establishments in the past few years as revealed from the annual list of registered factories. In the case of metal rolling factories the sampling fraction thus ultimately adopted was 27.6 per cent. for the upper size and 16.7 per cent. for the lower size.

The ultimate sampling units, namely registered factories, within an industry/regional stratum were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper-size, class and the rest in the lower-size class. From these size groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected in the case of metal rolling factories was the list of Registered Factories for the year 1958.

2. Method of Estimation—

In the course of this Survey, various characteristics were studied, some of which were correlated with employment whereas there were others which were not so correlated. Consequently, slightly different methods were used for working out estimates for these two cases. For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings, labour cost, ratio of total employment was used as the blowing-up factor. On the other hand, for estimating the totals of those characteristics which are not directly correlated with employment such as

daily hours of work, units levying fines, etc., the ratio of units was used as the blowing-up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

More precisely, the estimates for the total (for all-India) of a particular characteristic x not correlated with employment in the Industry has been obtained as:

$$X = \frac{N - N'_u}{n - n'_u} \sum_u X_{iu} + \frac{N - N'_L}{n - n'_L} \sum_L X_{iL} \dots \dots \dots (1)$$

The summation extending over all the sampled units surveyed in the industry
Where $X =$ the estimated total of the x characteristic for the industry.

N_u and N_L = the number of units in the original population as featuring in the 1958 list, which was used as frame, in the upper and lower size-groups respectively of the Industry.

N'_u and N'_L = the number of units which featured in the 1958 list but were not featuring in the list relating to the period more or less coinciding with the period of the Survey in the upper and lower size-groups respectively of the Industry.

n_u and n_L = the total number of units in the sample (from 1958 list) in the upper and lower size-groups respectively of the Industry.

n'_u and n'_L = the number of sampled units, which were found at the time of the survey to be closed or to have changed the line of production and hence left out in the upper and lower size-groups respectively of the Industry.

x_{iu} and x_{iL} = the total of the characteristic x in the i -th sample unit of the upper and lower size-groups respectively of the Industry.

In the industry the estimate for the characteristic Y correlated with employment is given by

$$Y = \frac{E}{n - n'_u} \sum_u Y_{iu} + \frac{E}{n - n'_L} \sum_L Y_{iL} \dots \dots \dots (2)$$

The summation extending over all the sampled units surveyed in the Industry.

Where Y = the estimated total of the characteristic Y —for the industry.
 E
 $n - N'$ and = the total employment in 1958 in the $N - N'$ and
 u u
 E $N - N'$ units respectively of the Industry.
 L L
 E
 $n - n'$ and = the total employment in 1958 in $n - n'$ and $n - n'$
 u u L L
sampled units respectively of the Industry.
 Y and Y
 iu il
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 $n - n'$
 L L
= the total of the characteristic in the i -th sampled unit of the upper and lower size-groups respectively of the Industry.

